

IX. Appendices

Appendix: A – Financial Projections and Data

The following Figure 15 shows the personnel costs associated with the operation of each fire station in Central Valley Fire. The baseline for the operational budget was sourced from San Bernardino County Fire Department budget actuals for fiscal year 2003/04.

Figure 15: Salary and Benefits Budget Baseline

Salary and Benefits Budget

Source: 2003/04 Actuals

Stations		71	72	73	74	75	76	77	78	Total
	Opn Persons per Station	15	9	12	12	9	9	12	12	90
	Total Salary/Benefits	\$1,596,108	\$1,136,345	\$1,317,607	\$1,360,743	\$952,718	\$1,076,559	\$1,371,685	\$1,368,240	\$10,180,005
	Cost Per Opn Position	\$106,407	\$126,261	\$109,801	\$113,395	\$105,858	\$119,618	\$114,307	\$114,020	\$113,111
Conversion to FY 2005/06 Baseline										
	CPI-U 2004	3.65%								
	CPI-U 2005	3.61%								
Estimated Cost Per Opn Position FY 2005/06										
	2007	\$114,278	\$135,600	\$117,923	\$121,783	\$113,688	\$128,466	\$122,762	\$122,454	\$121,478
	2008	\$118,406	\$140,498	\$122,182	\$126,182	\$117,794	\$133,106	\$127,196	\$126,877	\$125,866
	2009	\$122,682	\$145,572	\$126,595	\$130,739	\$122,049	\$137,914	\$131,791	\$131,460	\$130,412
	2010	\$127,114	\$150,830	\$131,167	\$135,462	\$126,457	\$142,895	\$136,551	\$136,208	\$135,122
	2011	\$131,705	\$156,278	\$135,905	\$140,354	\$131,025	\$148,056	\$141,483	\$141,128	\$140,003
	2012	\$136,462	\$161,923	\$140,814	\$145,424	\$135,757	\$153,404	\$146,593	\$146,225	\$145,059
	2013	\$141,391	\$167,771	\$145,900	\$150,676	\$140,660	\$158,944	\$151,888	\$151,506	\$150,299
	2014	\$146,498	\$173,831	\$151,170	\$156,119	\$145,741	\$164,685	\$157,374	\$156,979	\$155,727
	2015	\$151,789	\$180,110	\$156,630	\$161,757	\$151,005	\$170,634	\$163,058	\$162,649	\$161,352
	2016	\$157,271	\$186,615	\$162,287	\$167,600	\$156,459	\$176,797	\$168,948	\$168,523	\$167,180
	2016	\$162,952	\$193,355	\$168,149	\$173,653	\$162,110	\$183,182	\$175,050	\$174,610	\$173,218

The following Figure 16 shows the operating costs associated with operation of each fire station Central Valley Fire. The baseline for the operational budget was sourced from San Bernardino County Fire Department budget actuals for fiscal year 2003/04.³¹

Figure 16: Utilities and Station Maintenance Operational Budget Baseline

Operational Budget for each Operational Fire Station														
Source: FY 2003/04 Actuals														
Class	Object	Item	Amount Spent FY 2003/04	Conversion to FY 2005/06 Baseline	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Utilities	2000	Operating expenses, svcs & sup	\$1,235	\$1,326	\$1,374	\$1,424	\$1,475	\$1,529	\$1,584	\$1,641	\$1,700	\$1,762	\$1,825	\$1,891
	2025	Clothing & personal	\$10,070	\$10,815	\$11,206	\$11,610	\$12,030	\$12,464	\$12,914	\$13,381	\$13,864	\$14,365	\$14,884	\$15,421
	2042	Cellular/Other svcs	\$74	\$79	\$82	\$85	\$88	\$92	\$95	\$98	\$102	\$106	\$109	\$113
	2062	800 Mhz radio chgs	\$377	\$405	\$420	\$435	\$450	\$467	\$483	\$501	\$519	\$538	\$557	\$577
	2070	Food	\$61	\$66	\$68	\$70	\$73	\$76	\$78	\$81	\$84	\$87	\$90	\$93
	2075	Memberships	\$54	\$58	\$60	\$62	\$65	\$67	\$69	\$72	\$74	\$77	\$80	\$83
	2080	Publications	\$210	\$226	\$234	\$242	\$251	\$260	\$269	\$279	\$289	\$300	\$310	\$322
	2090	Misc exp (phone)	\$2,759	\$2,963	\$3,070	\$3,181	\$3,296	\$3,415	\$3,538	\$3,666	\$3,798	\$3,936	\$4,078	\$4,225
	2095	Cash shortages	\$4	\$4	\$4	\$5	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6
	2180	Utilities	\$18,790	\$26,859	\$28,345	\$29,350	\$30,391	\$31,469	\$32,580	\$33,744	\$34,943	\$36,186	\$37,473	\$38,806
		Subtotal Utilities	\$33,634	\$42,781	\$44,863	\$46,464	\$48,123	\$49,842	\$51,623	\$53,468	\$55,380	\$57,361	\$59,413	\$61,540
Station Maintenance (equip & supplies)														
	2115	Computer software	\$13	\$14	\$14	\$15	\$16	\$16	\$17	\$17	\$18	\$19	\$19	\$20
	2120	Small tools & equip	\$851	\$914	\$947	\$981	\$1,017	\$1,053	\$1,091	\$1,131	\$1,172	\$1,214	\$1,258	\$1,303
	2125	Inventoriable equip	\$5,013	\$5,384	\$5,578	\$5,780	\$5,989	\$6,205	\$6,429	\$6,661	\$6,902	\$7,151	\$7,409	\$7,677
	2130	Noninventoriable equip	\$9,013	\$9,680	\$10,029	\$10,392	\$10,767	\$11,156	\$11,559	\$11,976	\$12,409	\$12,857	\$13,321	\$13,803
	2135	Special dept expense	\$2,495	\$2,680	\$2,776	\$2,877	\$2,981	\$3,088	\$3,200	\$3,315	\$3,435	\$3,559	\$3,688	\$3,821
	2270	Aircraft liability	\$239	\$257	\$266	\$276	\$286	\$296	\$307	\$318	\$329	\$341	\$353	\$366
	2305	General office exp	\$4,376	\$4,700	\$4,869	\$5,045	\$5,228	\$5,416	\$5,612	\$5,815	\$6,025	\$6,242	\$6,468	\$6,701
	2310	Presort & packaging	\$60	\$64	\$67	\$69	\$72	\$74	\$77	\$80	\$83	\$86	\$89	\$92
	2323	Courier & printing	\$366	\$393	\$407	\$422	\$437	\$453	\$469	\$486	\$504	\$522	\$541	\$560
	2345	Subscriptions	\$275	\$295	\$306	\$317	\$329	\$340	\$353	\$365	\$379	\$392	\$406	\$421
	2355	Advertising	\$4	\$4	\$4	\$5	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6
	2812	Household expense	\$216	\$232	\$240	\$249	\$258	\$267	\$277	\$287	\$297	\$308	\$319	\$331
	2815	Kitchen & dining	\$13	\$14	\$14	\$15	\$16	\$16	\$17	\$17	\$18	\$19	\$19	\$20
	2820	Bedding	\$390	\$419	\$434	\$450	\$466	\$483	\$500	\$518	\$537	\$556	\$576	\$597
	2835	General household	\$2,389	\$2,566	\$2,658	\$2,754	\$2,854	\$2,957	\$3,064	\$3,174	\$3,289	\$3,408	\$3,531	\$3,659
	2855	General	\$5,853	\$6,286	\$6,513	\$6,748	\$6,992	\$7,245	\$7,506	\$7,777	\$8,058	\$8,349	\$8,651	\$8,963
	2870	Gen maint - struct imp	\$10,258	\$11,017	\$11,415	\$11,827	\$12,254	\$12,697	\$13,155	\$13,631	\$14,123	\$14,633	\$15,161	\$15,709
	2895	Rents & leases - equip	\$651	\$699	\$724	\$751	\$778	\$806	\$835	\$865	\$896	\$929	\$962	\$997
		Subtotal Station Maintenance	\$42,475	\$45,617	\$47,265	\$48,972	\$50,740	\$52,573	\$54,472	\$56,440	\$58,478	\$60,590	\$62,779	\$65,046

³¹ When the amount budgeted in an area is anticipated to increase above the CPI-U trend, a factor is added to the line. For example, the factored amount for utilities included an additional two percent per year.

The following Figure 16 shows the vehicle maintenance, fuel, general operating and administration costs associated with operation of each fire station in Central Valley Fire. The baseline for the operational budget was sourced from San Bernardino County Fire Department budget actuals for fiscal year 2003/04.³²

Figure 17: Vehicle Maintenance, General Operating & Administration Operational Budget Baseline

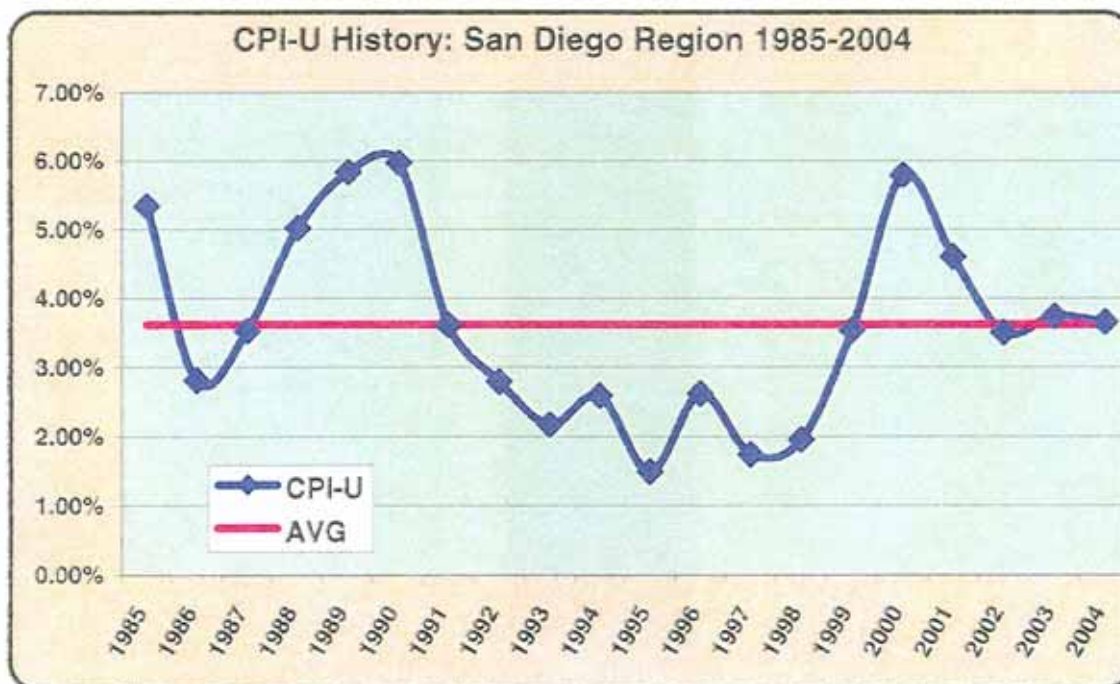
Operational Budget for each Operational Fire Station														
Source: FY 2003/04 Actuals														
Class Object Item			Amount Spent FY 2003/04	Conversion to FY 2005/06 Baseline	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Vehicle Maintenance & Fuel														
	2860	Automotive fuel	\$9,292	\$16,665	\$18,101	\$18,724	\$19,371	\$20,040	\$20,734	\$21,453	\$22,197	\$22,969	\$23,769	\$24,597
	2865	equip distribution	\$22,510	\$24,175	\$25,048	\$25,953	\$26,890	\$27,862	\$28,868	\$29,911	\$30,991	\$32,110	\$33,270	\$34,472
	2925	DMV registration	\$56	\$60	\$62	\$65	\$67	\$69	\$72	\$74	\$77	\$80	\$83	\$86
	2930	Maintenance charges	\$3,600	\$3,866	\$4,006	\$4,151	\$4,301	\$4,456	\$4,617	\$4,784	\$4,956	\$5,135	\$5,321	\$5,513
	Subtotal Vehicle Maintenance & Fuel		\$35,458	\$44,767	\$47,217	\$48,893	\$50,628	\$52,427	\$54,290	\$56,221	\$58,222	\$60,295	\$62,442	\$64,668
General Operating & Administration														
	2140	Training	\$10,193	\$10,947	\$11,342	\$11,752	\$12,177	\$12,616	\$13,072	\$13,544	\$14,033	\$14,540	\$15,065	\$15,610
	2210	Property insurance	\$1,577	\$1,694	\$1,755	\$1,818	\$1,884	\$1,952	\$2,022	\$2,095	\$2,171	\$2,250	\$2,331	\$2,415
	2220	Other general liability	\$317	\$340	\$353	\$365	\$379	\$392	\$407	\$421	\$436	\$452	\$469	\$485
	2235	Vehicle liability	\$6,404	\$6,878	\$7,126	\$7,384	\$7,650	\$7,927	\$8,213	\$8,509	\$8,817	\$9,135	\$9,465	\$9,807
	2415	County svcs	\$2,591	\$2,783	\$2,883	\$2,987	\$3,095	\$3,207	\$3,323	\$3,443	\$3,567	\$3,696	\$3,830	\$3,968
	2445	Other professional svc	\$10,911	\$11,718	\$12,141	\$12,580	\$13,034	\$13,505	\$13,993	\$14,498	\$15,022	\$15,564	\$16,127	\$16,709
	2460	ConFire	\$82,898	\$89,030	\$92,246	\$95,577	\$99,030	\$102,606	\$106,313	\$110,152	\$114,131	\$118,253	\$122,524	\$126,950
	2840	Medical expense	\$4,125	\$4,430	\$4,590	\$4,756	\$4,928	\$5,106	\$5,290	\$5,481	\$5,679	\$5,884	\$6,097	\$6,317
	2920	Mileage reimb	\$211	\$227	\$235	\$243	\$252	\$261	\$271	\$280	\$290	\$301	\$312	\$323
	2935	Other travel	\$1,374	\$1,476	\$1,529	\$1,584	\$1,641	\$1,701	\$1,762	\$1,826	\$1,892	\$1,960	\$2,031	\$2,104
	Subtotal General Operating & Administration		\$120,601	\$129,522	\$134,200	\$139,047	\$144,070	\$149,273	\$154,665	\$160,251	\$166,039	\$172,036	\$178,250	\$184,688
Total			\$232,168	\$262,687	\$273,545	\$283,376	\$293,562	\$304,115	\$315,050	\$326,380	\$338,119	\$350,282	\$362,884	\$375,942

³² When the amount budgeted in an area is anticipated to increase above the CPI-U trend, a factor is added to the line. For example the factored amount for automotive fuel included an additional five percent per year.

(Appendix A – Continued)

Inflation is a significant economic factor that not only affects individuals, but also may cause problems for municipalities. Historically, inflation in California has seen brief upswings in the CPI-U (consumer price index for all urban consumers) during a 20-year period (see figure below), but has shown stability overall. Although still relatively steady, there has been recent upward pressure on the CPI-U for the region. As of October 2005, the increase in the western urban region CPI-U is trending at about 2.9 percent for the year — about a half-point about the average over the last 20 years.³³

Figure 18: CPI-U Trend: Western Urban Region 1996 – 2005



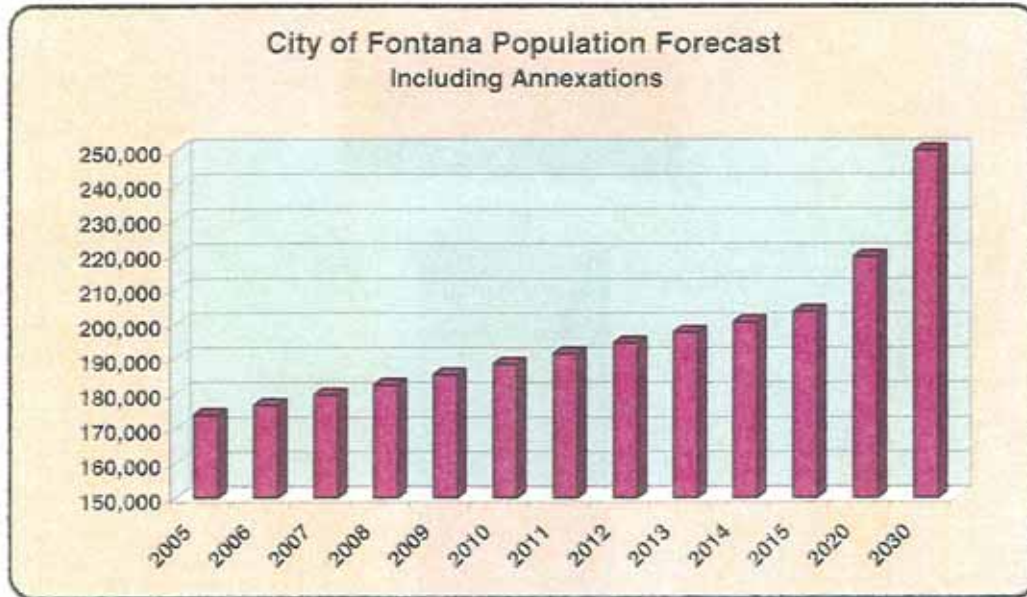
The City of Fontana's 2005 population was 160,015 persons with the number of residents growing by over 31,087 persons (24 percent) from 2000 to 2005. In comparison, the San Bernardino County's population grew by only 13.8 percent for the same time period.

The San Bernardino County Demographic Research Unit estimates that approximately 13,817 people currently reside within the island annexation areas (an area annexed into the City in 2006). The population was estimated based on 2000 Census block data.

³³ United States Department of Labor, Bureau of Labor Statistics, Consumer Price Indexes

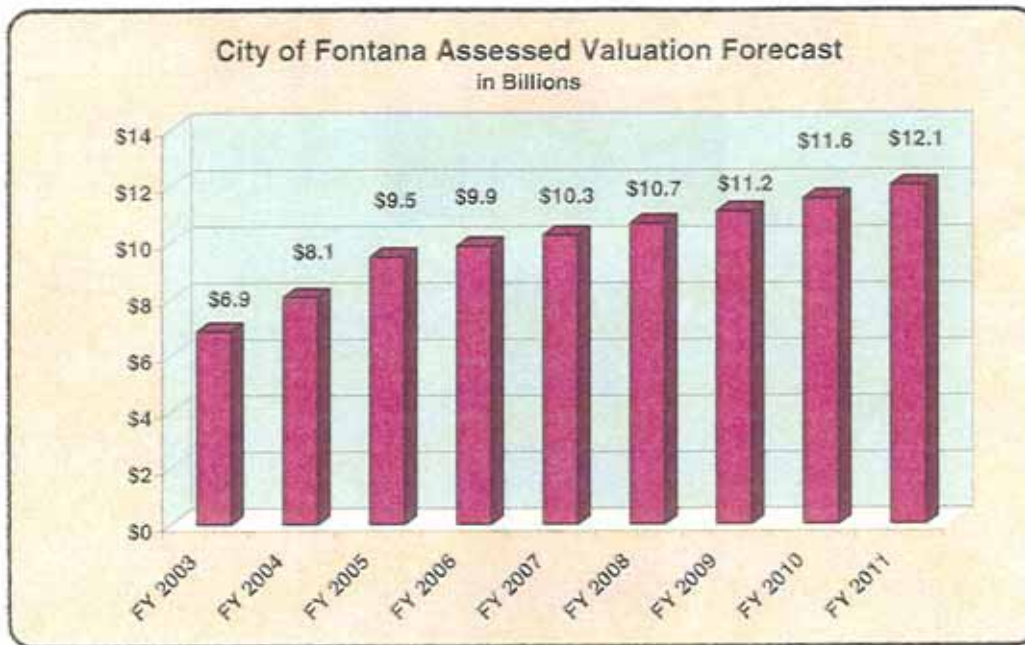
Population growth would continue throughout the remainder of the City and within the Sphere of Influence and could reach 219,345 people by 2020 and approximate build out (255,055) by 2030 (Figure 19).

Figure 19: City of Fontana Population Projection 2005 – 2030



The following Figure 20 shows the historical and projected assessed valuation of the City of Fontana.³⁴

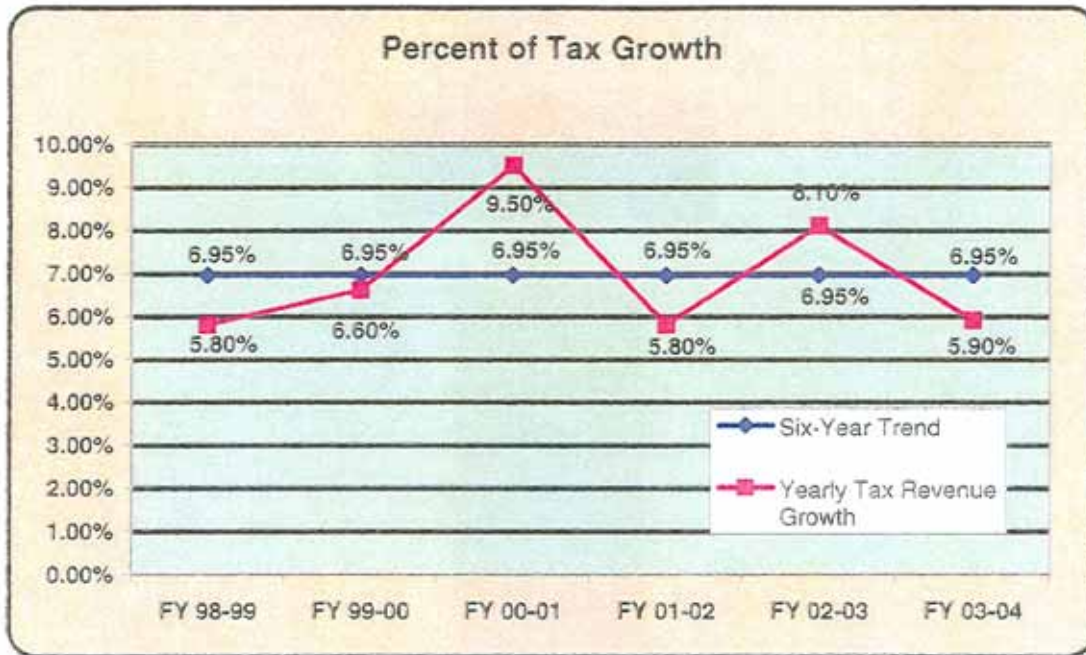
Figure 20: City of Fontana Assessed Valuation, Historical and Projected



³⁴ A Tax Revenue seven-year trend analysis suggests a seven percent increase in tax revenue. This is considered conservative as increases in property valuation in the City of Fontana and the RDAs have exceeded twelve percent for most recent tax years 2003 and 2004. For our purposes we assumed a four percent increase in tax revenue.

The following figure shows the tax revenue six-year trend analysis for Central Valley Fire from fiscal year 1999 through 2004. The six-year trend is seven percent.

Figure 21: Tax Revenue Six-Year Trend Analysis for Central Valley Fire



A Tax Revenue six-year trend analysis suggests a seven percent increase in tax revenue. This is considered conservative as increases in property valuation in the City of Fontana and the RDAs have exceeded twelve percent for most recent tax years 2003 and 2004. For our purposes we assumed a four percent increase in tax revenue.